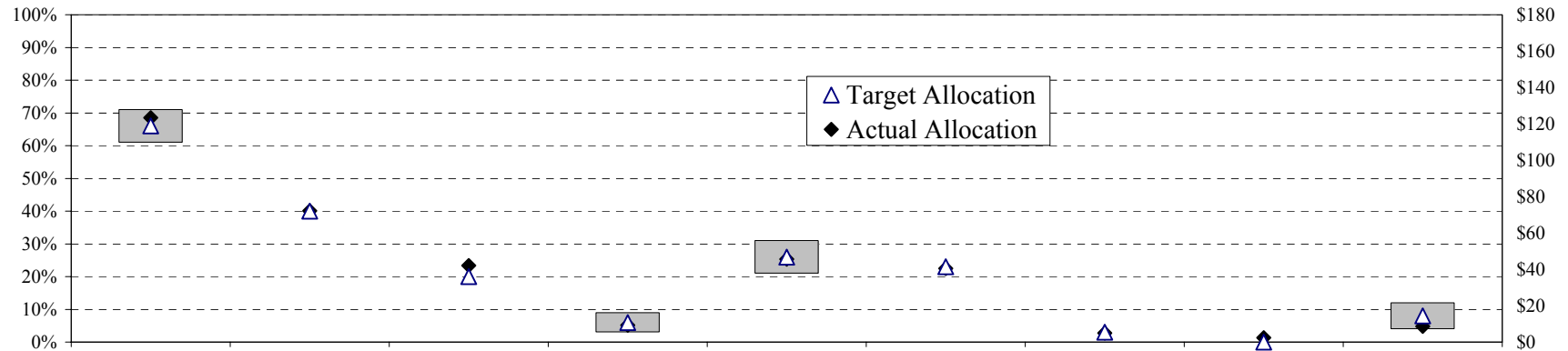


CaIPERS

Asset Allocation as of October 31, 2005

Total Fund Market Value: **\$193,840,143,996**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash ²	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	68.6%	40.1%	23.3%	5.1%	25.3%	22.5%	2.8%	1.3%	4.8%	N/A
Variance %	2.6%	0.1%	3.3%	(0.9%)	(0.7%)	(0.5%)	(0.2%)	1.3%	(3.2%)	N/A
Strategic \$ ³	\$127.9	\$77.5	\$38.8	\$11.6	\$50.4	\$44.6	\$5.8	\$0.0	\$15.5	N/A
Actual \$ ^{3,4}	\$132.9	\$77.7	\$45.2	\$10.0	\$49.1	\$43.7	\$5.4	\$2.5	\$9.4	N/A
Variance \$ ³	\$5.0	\$0.2	\$6.5	(\$1.7)	(\$1.3)	(\$0.9)	(\$0.4)	\$2.5	(\$6.1)	N/A
% Passive	65.6%	81.5%	52.9%	0.0%	0.0%	0.0%	0.0%	0.0%	4.5%	45.2%
% Active	34.4%	18.5%	47.1%	100.0%	100.0%	100.0%	100.0%	100.0%	95.5%	54.8%
% Internal ¹	51.7%	81.5%	12.0%	0.0%	88.4%	99.3%	0.0%	45.1%	4.5%	58.6%
% External ¹	48.3%	18.5%	88.0%	100.0%	11.6%	0.7%	100.0%	54.9%	95.5%	41.4%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ For cash percentage only, average over previous 6 months.

² Cash includes SMIF at STO.

³ (\$ Billion)

⁴ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

Private Equity Asset Allocation as of 10/31/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$9.95	5.1%	
Unfunded Commitment	\$10.50	5.4%	
Current Market Value plus Unfunded Commitment	\$20.45	10.6%	3-9%

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 10/31/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure ⁽¹⁾	TOTAL Market Value	% of Total Fund ⁽³⁾
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending ⁽²⁾				
GENERAL ELECTRIC	194,076,323	1,351,032,047	179,898,654		1,725,007,024	48,225,912	68,177,936	630,781,409	747,185,257		2,472,192,281	0.93%
EXXON MOBIL CORP	144,571,616	1,358,717,122	193,071,186		1,696,359,924				0		1,696,359,924	0.86%
MICROSOFT CORP	206,608,134	1,049,534,030	139,459,868		1,395,602,032				0		1,395,602,032	0.70%
CITIGROUP	148,662,401	892,641,330	175,113,078		1,216,416,809	81,989,270	29,264,951		111,254,221		1,327,671,030	0.67%
WAL MART STORES INC	139,313,521	761,151,666	51,199,828		951,665,015	110,139,150	1,153,982		111,293,132		1,062,958,147	0.54%
HSBC HOLDINGS	0	88,085,130	40,314,591	366,903,452	495,303,173	295,910,600	10,552,249	202,503,930	508,966,779		1,004,269,952	0.40%
JPMORGAN CHASE & CO	54,534,101	493,688,458	53,018,436		601,240,995	153,574,683	3,130,736	207,944,740	364,650,159	8,828,590	974,719,744	0.39%
PROCTER + GAMBLE CO	118,923,656	749,816,512	73,324,056		942,064,224	5,001,675			5,001,675		947,065,899	0.48%
JOHNSON + JOHNSON	111,287,012	694,981,808	101,954,753		908,223,573				0		908,223,573	0.46%
BANK OF AMERICA	53,130,672	666,855,666	112,837,215		832,823,553	44,619,223	12,912,549		57,531,772		890,355,325	0.45%
CHEVRONTXACO CORP	104,002,428	489,660,600	98,227,686		691,890,714	119,281,800	18,333,799		137,615,599		838,334,903	0.42%
PFIZER INC	108,023,516	613,891,946	93,964,954		815,880,416	5,686,799			5,686,799		821,567,215	0.41%
BRITISH PETROLEUM	0	115,656,818	56,600,706	481,308,002	653,565,526	140,000,000			140,000,000		793,565,526	0.40%
AMERICAN INTL GROUP INC	78,324,538	629,136,720	59,071,680		766,532,938	9,332,153	4,502,632		13,834,785		780,367,723	0.39%
INTEL CORP	99,733,789	566,486,300	84,069,394		750,289,483				0		750,289,483	0.38%
BERKSHIRE HATHAWAY	99,373,595	470,849,810	21,473,900		591,697,305			149,977,500	149,977,500		741,674,805	0.30%
ROYAL DUTCH SHELL	0	106,926,229	131,481,410	449,204,591	687,612,230				0		687,612,230	0.35%
INTERNATIONAL BUSINESS I	100,858,965	524,425,024	45,184,659		670,468,648	8,443,094			8,443,094		678,911,742	0.34%
VERIZON	33,521,441	323,273,694	38,785,659		395,580,794	268,809,397	8,719,948		277,529,345		673,110,139	0.34%
CIT GROUP INC. (THE)	18,737,364	33,776,178	18,894,493		71,408,035	27,596,474	4,433,249	545,623,985	577,653,708		649,061,743	0.05%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

TARGET PERCENTAGE COMPARISON
ASSET ALLOCATION¹
As of October 31, 2005

(A) <u>Asset Class</u>	(B) <u>Market Value</u> (\$ Billion)	(C) <u>Current</u> <u>Allocation</u>	(D) <u>Target</u>	(E) <u>Macro</u> <u>Ranges</u>	(F) <u>Difference</u> <u>(C-D)</u>
Total Cash Equivalents	2.5	1.3 %	0.0 %		1.3 %
Total AIM: Direct/Partnership	10.0	5.1	6.0	3-9 %	-0.9
Total Global Fixed Income	49.1	25.3	26.0	21-31 %	-0.7
Equities					
Domestic ²	77.7	40.1	40.0		0.1
International	<u>45.2</u>	<u>23.3</u>	<u>20.0</u>		<u>3.3</u>
Total Equities	122.9	63.4	60.0	61-71 %	3.4
Total Real Estate	9.4	4.8	8.0	4-12 %	-3.2
Total Equities & Real Estate	132.3	68.3	68.0		0.3
Total Fund	<u>193.8</u>	<u>100.0 %</u>	<u>100.0 %</u>		

¹ As allocated to managers.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$178.4M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON

ASSET ALLOCATION

As of October 31, 2005

(A) <u>Asset Class</u>	(B) Current <u>Allocation</u>	(C) <u>Market Value</u> (\$ Billion)	(D) <u>New Policy</u> ¹ (\$ Billion)	(E) Difference <u>(D-C)</u> (\$ Billion)
Total Cash Equivalents	1.3 %	2.5	0.0	-2.5
Total AIM: Direct/Partnership	5.1	10.0	11.6	1.7
Total Global Fixed Income	25.3	49.1	50.4	1.3
Equities				
Domestic ²	40.1	77.7	77.5	-0.2
International	<u>23.3</u>	<u>45.2</u>	<u>38.8</u>	<u>-6.5</u>
Total Equities	63.4	122.9	116.3	-6.6
Total Real Estate	4.8	9.4	15.5	6.1
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	68.3	132.3	131.8	-0.5
	<hr/>	<hr/>	<hr/>	
Total Fund	<u>100.0 %</u>	<u>193.8</u>	<u>193.8</u>	

¹ New Policy: Strategic asset allocation targets effective January 1, 2005.

² Included is MDP Investment: LM Capital Investment: Total Market Value= **\$178.4M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

MONTHLY PROGRESS REPORT

ASSET ALLOCATION¹

As of October 31, 2005

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>9/30/2005 Market Value (\$ Billion)</u>	<u>10/31/2005 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
Total Cash Equivalents	0.8	2.5	1.7	0.0
Total AIM: Direct/Partnership	9.3	10.0	0.6	11.6
Total Global Fixed Income	50.1	49.1	-1.0	50.4
Equities				
Domestic ²	79.2	77.7	-1.5	77.5
International	<u>46.7</u>	<u>45.2</u>	<u>-1.5</u>	<u>38.8</u>
Total Equities	126.0	122.9	-3.0	116.3
Total Real Estate	9.4	9.4	0.0	15.5
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	135.3	132.3	-3.0	131.8
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund	<u>195.5</u>	<u>193.8</u>	-1.7	<u>193.8</u>

¹ Monthly progress report toward new policy targets.

² Included is MDP Investment: LM Capital Investment: Total Market Value=\$178.4M.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

BOOK VS MARKET VALUE

As of October 31, 2005

(A) <u>Asset Class</u>	(B) <u>Book</u> <u>Value</u> (\$ Billion)	(C) <u>Market</u> <u>Value</u> (\$ Billion)	(D) <u>Difference</u> <u>(C - B)</u> (\$ Billion)
Total Cash Equivalents	2.5	2.5	0.0
Total AIM: Direct/Partnership	11.6	10.0	-1.7
Total Global Fixed Income	49.1	49.1	0.0
Equities			
Domestic ¹	46.6	77.7	31.1
International	<u>35.7</u>	<u>45.2</u>	<u>9.6</u>
Total Equities	82.3	122.9	40.7
Total Real Estate	7.6	9.4	1.8
	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	89.8	132.3	42.5
	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>153.0</u></u>	<u><u>193.8</u></u>	40.8

¹ Included is MDP Investment- LM Capital Investment: Total Book Value=~~\$181.3M~~, Total Market Value=~~\$178.4M~~.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.

When summing net amounts on this report, there may be breakage.

GROSS PERFORMANCE VS EXPECTED RETURNS

One Year
November 1, 2004 to October 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	1.3 %	3.1 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	23.4	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	25.3	2.5	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.1	10.4	9.6	17.0	-7.4 - 26.6
International	<u>23.3</u>	<u>22.8</u>	9.1	19.5	-10.4 - 28.6
Total Equities	63.4	15.2			
Total Real Estate	4.8	53.5	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>13.6</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

NET PERFORMANCE VS EXPECTED RETURNS

One Year
November 1, 2004 to October 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	1.3 %	3.1 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.1	23.4	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	25.3	2.4	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.1	10.4	9.6	17.0	-7.4 - 26.6
International	<u>23.3</u>	<u>22.7</u>	9.1	19.5	-10.4 - 28.6
Total Equities	63.4	15.1			
Total Real Estate	4.8	42.5	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>13.1</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending October 31, 2005
Investment Committee Meeting December 2005

	MKT VAL (000'S)	One Month Oct 05	QTR Aug - Oct 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	193,823,578	-1.34	1.11	3.43	6.66	13.60	14.76	4.48	9.27
CALPERS POLICY INDEX		-1.45	0.36	2.56	4.78	11.07	13.18	3.62	8.27
ACTUAL WEIGHTED TOTAL FUND INDEX		-1.62	0.24	0.91	1.18	7.64	12.15	3.01	8.13
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	74,410,162	-1.64	-1.81	2.20	2.09	10.41	14.39	-0.63	9.53
WILSHIRE 2500 EX TOBACCO (BLENDED)		-1.67	-1.91	2.07	2.03	10.34	14.24	-1.03	9.19
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	37,055,222	-3.55	3.84	7.86	8.21	21.11	22.78	4.32	7.01
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	37,431,285	-3.23	4.09	8.24	10.54	22.77	21.65	3.51	7.36
CALPERS FTSE A-W X US/SSGA BLEND		-3.50	3.64	7.54	7.57	20.24	23.00	4.35	6.95
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,473,615	-3.13	3.81	7.30					
CALPERS FTSE DEV WORLD EX US & TOBACCO		-3.13	3.71	7.17					
SWCG INTERNATIONAL EQUITY TRANSITION	261,370	-4.15							
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,506,025	-1.69	0.79	3.21	6.31	11.94	10.58		
TOTAL ARS PROGRAM BLENDED INDEX		0.53	1.81	2.22	5.80	6.67	10.84		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,659,139	-0.85	5.30	5.03	14.35	31.69	29.85	16.07	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.98	4.57	8.13	8.86	18.79	19.18	3.11	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	178,407	-0.74	-0.30	-1.09	0.43	0.90	6.01		
CITIGROUP BROAD INVESTMENT GRADE		-0.77	-0.57	-1.45	1.12	1.24	3.96	6.37	6.35
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,849,954	-0.71	-0.61	-1.69	2.25	2.98	7.92	8.08	7.47
CALPERS CUSTOM LEH LPF		-1.37	-1.24	-2.65	1.59	2.11	5.50	7.66	7.08
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,400,181	-2.09	-2.25	-3.10	-8.04	-1.97	9.63	9.12	5.46
CALPERS WORLD GOVT EX US		-2.06	-2.34	-3.16	-8.54	-2.32	8.87	8.71	4.64
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	2,303,255	0.47	1.10	1.37	2.73	3.10	1.92	2.72	4.29
CALPERS CUSTOM STIF NET OF FEES		0.32	0.91	1.18	2.49	2.81	1.68	2.39	3.97
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	9,951,015	5.52	8.10	7.76	22.92	23.42	12.37	1.08	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,874,777	5.64	8.22	7.76	23.22	23.42	12.27	1.36	12.88
PERS WILSHIRE 2500/CYFU BLEND		1.66	5.06	6.81	16.56	19.34	8.38	-3.22	7.97
SW2V AIM DISTRIBUTION STOCK	76,237	-8.06	-6.81	-0.22	1.13	9.13	20.87	-10.98	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,297,062	-0.03	16.31	16.48	48.60	57.40	23.77	19.99	16.52
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,069,205	-0.21	6.22	7.51	31.09	39.53	26.66	16.25	15.48
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending October 31, 2005
Investment Committee Meeting December 2005

	MKT VAL (000'S)	One Month Oct 05	QTR Aug - Oct 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	193,823,578	-1.34	0.99	3.30	6.19	13.07	14.45	4.25	9.13
CALPERS POLICY INDEX		-1.45	0.36	2.56	4.78	11.07	13.18	3.62	8.27
ACTUAL WEIGHTED TOTAL FUND INDEX		-1.62	0.24	0.91	1.18	7.64	12.15	3.01	8.13
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	74,410,162	-1.64	-1.81	2.19	2.07	10.39	14.36	-0.65	9.51
WILSHIRE 2500 EX TOBACCO (BLENDED)		-1.67	-1.91	2.07	2.03	10.34	14.24	-1.03	9.19
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	37,055,222	-3.55	3.82	7.85	8.17	21.05	22.71	4.27	6.96
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	37,431,285	-3.23	4.07	8.23	10.50	22.70	21.56	3.46	7.31
CALPERS FTSE A-W X US/SSGA BLEND		-3.50	3.64	7.54	7.57	20.24	23.00	4.35	6.95
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,473,615	-3.13	3.81	7.30					
CALPERS FTSE DEV WORLD EX US & TOBACCO		-3.13	3.71	7.17					
SWCG INTERNATIONAL EQUITY TRANSITION	261,370	-4.15							
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,506,025	-1.69	0.74	3.14	6.15	11.74	10.23		
TOTAL ARS PROGRAM BLENDED INDEX		0.53	1.81	2.22	5.80	6.67	10.84		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,659,139	-0.85	5.30	5.02	14.11	31.33	29.21	15.53	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.98	4.57	8.13	8.86	18.79	19.18	3.11	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	178,407	-0.74	-0.34	-1.13	0.32	0.75	5.78		
CITIGROUP BROAD INVESTMENT GRADE		-0.77	-0.57	-1.45	1.12	1.24	3.96	6.37	6.35
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,849,954	-0.71	-0.61	-1.69	2.24	2.97	7.90	8.07	7.47
CALPERS CUSTOM LEH LPF		-1.37	-1.24	-2.65	1.59	2.11	5.50	7.66	7.08
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,400,181	-2.10	-2.27	-3.12	-8.09	-2.05	9.55	9.04	5.38
CALPERS WORLD GOVT EX US		-2.06	-2.34	-3.16	-8.54	-2.32	8.87	8.71	4.64
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	2,303,255	0.47	1.10	1.37	2.73	3.10	1.92	2.72	4.29
CALPERS CUSTOM STIF NET OF FEES		0.32	0.91	1.18	2.49	2.81	1.68	2.39	3.97
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	9,951,015	5.52	8.09	7.75	22.90	23.40	12.35	1.07	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,874,777	5.64	8.22	7.76	23.22	23.42	12.27	1.36	12.88
PERS WILSHIRE 2500/CYFU BLEND		1.66	5.06	6.81	16.56	19.34	8.38	-3.22	7.97
SW2V AIM DISTRIBUTION STOCK	76,237	-8.22	-6.97	-1.10	-0.01	7.89	19.75	-11.89	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,297,062	-0.03	13.36	13.53	38.49	46.28	19.98	17.25	14.77
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,069,205	-0.21	4.93	6.21	21.69	28.65	21.11	12.31	12.81
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

GROSS RETURNS

One Year

November 1, 2004 to October 31, 2005

	(A)	(B)	(C)
<u>Asset Classes</u>	<u>Reported Gross Return</u>	<u>Expenses¹ (Percent)</u>	<u>Net Return (A-B)</u>
Total Cash Equivalents	3.10%	0.00%	3.10%
Total AIM	23.42%	0.00%	23.42%
Total Global Fixed Income	2.46%	0.02%	2.44%
Equities			
Domestic	10.41%	0.02%	10.39%
International	<u>22.77%</u>	<u>0.07%</u>	<u>22.70%</u>
Total Equities	15.19%	0.05%	15.14%
Total Real Estate	53.51%	11.06%	42.45%
	<hr/>	<hr/>	<hr/>
Total Fund	13.60%	0.53%	13.07%

¹ Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALPERS INVESTMENT IN CALIFORNIA as of October 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Real Estate - Mortgages					
AFL-CIO (HIT)	98.9	N/A	62.5	63	Union related mortgage fund
CA Community Mortgage Fund	35.0	35.0	35.0	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	644.4	739.2	739.2	N/A	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	1,356.7	N/A	N/A	N/A	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	<u>17.2</u>	<u>17.2</u>	<u>17.2</u>	<u>100</u>	No new additional commitments will be issued as of 3/27/98. All commitments issued.
Subtotal	2,152.2	791.4	853.9	40 %	
Core Portfolio					
AFL-CIO (BIT)	124.1	N/A	23.1	19	Union related mortgage funds
CORE - Equity	4,919.7	2,381.1	2,381.1	48	CORE Equity programs
PREES- REITS	421.7	218.9	218.9	52	Public companies
Non-Core Portfolio					
Senior Housing	214.6	64.5	64.5	30	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
California Urban Real Estate- (CURE)					
Pacific City Homes	54.3	200.0	54.3	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	32.4	100.0	32.4	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	142.2	350.0	142.2	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	158.3	410.0	158.3	100	Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	38.6	60.0	38.6	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	187.4	405.0	187.4	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	280.3	N/A	280.3	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	7.0	40.0	7.0	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	38.6	150.0	38.6	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	1.8	50.0	1.8	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	70.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	20.0	N/A	20.0	100	
Housing					
Acquisition & Development	32.8	32.8	32.8	100	California land acquisition & development program
National Housing	1,477.2	447.9	447.9	30	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	58.5	58.5	58.5	100	California Single Family Housing program

CALPERS INVESTMENT IN CALIFORNIA as of October 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
		California		CA Investment	
	Portfolio	(Commitment/	California	as % of	
	Value	Investments) ¹	Investments	Asset Class	
<u>Asset Class</u>	<u>(\$ millions)</u>	<u>(\$ millions)</u>	<u>(\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Natural Resources					
Agricultural	121.7	92.1	69.1	57	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	136.2	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
Opportunistic					
DIVCO West	10.6	13.4	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Other Opportunistic Real Estate	617.3	200.0	96.9	N/A	
International					
International Real Estate	441.2	N/A	N/A	N/A	International real estate.
Subtotal	9,548.2	5,344.3	4,367.0	46 %	Real estate commitment values
SW6KRE - CORE MV Adjustment	143.9				
SW8KRE - SPECIALIZED MV Adjustment	-325.7				
Total Real Estate	11,518.5	6,135.6	5,220.9	45 %	
AIM: Partnership Component	9,951.0	2,000.0	1,500.0	15	Includes commitments through October 31, 2005
Domestic Equity	77,701.1	10,101.1	10,101.1	13	CA investment assumed to be 13% of total portfolio value
International Equity	45,248.3	0.0	0.0	0	
Total Equities	132,900.3	12,101.1	11,601.1	9 %	
Total Real Estate & Equities	144,418.9	18,236.8	16,822.1	12 %	Of total portfolio CA investments in real estate & equities: 8.7%
Cash Equivalents	2,501.2	0.0	0.0	0	On deposit at the Treasurer's Office: \$757.09
Domestic Fixed Income					
Corporate Bonds	20,963.5	394.9	394.9	2	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	12,247.4	2,449.4	2,449.4	20	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	298.4	0.0	0.0	0	
Treasury Bonds	8,010.6	0.0	0.0	0	
Subtotal	41,519.9	2,844.3	2,844.3	7 %	
International Fixed Income	5,400.2	0.0	0.0	0	
Total Global Fixed Income	46,920.1	2,844.3	2,844.3	6 %	
TOTAL	193,840.1 =====	21,081.1 =====	19,666.4 =====	10 % =====	Outstanding commitments (column E/column C): 10.9%

¹ Total actual investments at market value and outstanding program commitments in California